GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:897
ANSWERED ON:24.11.2009
BLACK MARKETING AND HOARDING OF ESSENTIAL COMMODITIES
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Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether hoarding and blackmarketing of essential commodities is rampant in the country leading to their shortage and rise in prices;

(b) if so, the details thereof indicating the current demand and supply situation of these commodities in the country;

(c) whether the State Governments have been directed to ensure declaration of excess stocks by wholesalers and take action against hoarders and black marketeers;

(d) if so, the details thereof indicating the steps taken by the State to enforce the provisions of the Essential Commodities Act, 1955 alongwith the number of raids conducted, hoarders, arrested and goods confiscated during the last year and the current year, State-wise;

(e) whether the Government proposes to amend the said Act to make it more stringent; and

(f) if so, the details thereof and action taken thereon?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K. V. THOMAS)

(a) to (d) : The prices of some essential commodities have risen during the current year. Prices have risen on account of various factors like poor rainfall, high international prices, rising demand etc. In commodities like pulses and edible oils, imports take place every year because domestic production is not sufficient; 15-20% of pulses and 40-45% of edible oils are imported to meet the domestic demand. In the case of rice, due to poor monsoon, kharif production is likely to be lower than the demand. Similarly in the case of sugar, production has fallen short of demand in 2008-09.

In order to check hoarding and blackmarketing, the Government of India has taken the following steps:-

(i) Powers have been vested with State Governments for taking action under the provisions of Essential Commodities Act, 1955 and Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act, 1980.

(ii) To enable the State Governments/UT Administrations to take effective action for undertaking de-hoarding operations under the Essential Commodities Act, 1955, it was decided t o enable State Governments to impose stockholding limits by keeping in abeyance some provisions of the Central Order dated 15.02.2002 in respect of pulses, edible oils, edible oilseeds, rice and paddy for the period upto 30.09.2010. The commodity wheat which had also been included in the above list has been removed w.e.f. 01.04.2009 .

(iii) Further, in respect of sugar, the Central Government have also issued Orders providing for stock-holding/turnover limits which are as follows: Stockholding:

(i) in Kolkata and extended area −

(a) recognized dealers who import sugar from outside West Bengal − 10,000 quintals;

(b) other recognized dealers − 2000 quintals;

(ii) in other places − 2000 quintals.

Turnover: No dealer can hold the stock of sugar for a period exceeding 30 days from the date of receipt by him of such stock.

(iv) The details of the raids conducted, value of goods confiscated and persons booked for violation of rules under the Essential Commodities Act, 1955, during the year 2008 and 2009 (updated upto 31.10.2009) as reported by State Governments/UT Administrations are at Annexure I & II .

(v) The State Governments/UT Administrations are empowered to detain such persons under the Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act, 1980, whose activities are found to be prejudicial to the maintenance of supplies of commodities essential to the community. Details of detention orders issued under the said Act and as reported to the Central Government by the State Governments/UT Administrations during the period from 1.1.2008 to 31.10.2009 are given below:-

Name of the State	2008	2009 (upto 31.10.2009)
Gujarat	16	18
Tamil Nadu	141	104
Orissa	01	02
Maharashtra	-	02
Madhya Pradesh	-	-
Andhra Pradesh	04	-
Total	162	126

(vi) The State Governments/UT Administrations have been repeatedly advised to strictly enforce both the Acts and also monitor such enforcements.

(e) & (f): There is no such proposal to amend the Essential Commodities Act, 1955 at present.